

**STATEMENT OF
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DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS**

February 15, 2007

Mr. Chairman and members of the Committee, it is my pleasure to be here today to discuss the benefits the Department of Veterans Affairs (VA) provides to World War II Filipino veterans. I am pleased to be accompanied by Dr. Robert Wiebe, Director of the Veterans Integrated Service Network 21.

Historical Background

For purposes of VA benefits and services, members of the Philippine armed forces can be categorized as having served in one of four groups: Regular Philippine Scouts, Commonwealth Army of the Philippines, recognized guerrilla units, and New Philippine Scouts. These four categories of World War II Filipino veterans and their eligibility for VA benefits are best understood in a historical context.

In 1901, the United States established the **Regular Philippine Scouts**, a force that Congress soon thereafter incorporated into the United States Army. Individuals who served in the Regular Philippine Scouts and their survivors have always been entitled to the same VA benefits as veterans of the United States Armed Forces.

In 1934, Congress passed the Philippine Independence Act, which provided for the self-government of the Philippines after a period of 10 years. Because of the Japanese invasion of the Philippines and World War II, independence was conferred on

July 4, 1946. The Government of the Commonwealth of the Philippines established the Philippine Army in 1935. Pursuant to the 1934 Act, the United States reserved the right to call into service any forces organized by the Philippine government. In July 1941, President Roosevelt exercised this authority by calling into service all organized military forces of the Government of the Commonwealth of the Philippines. These **Commonwealth Army** members began serving on or after July 26, 1941 and ended their service on or before June 30, 1946.

After the May 7, 1942 surrender of the Philippine Islands to the Japanese, the residual elements of the United States military in the Philippines and members of the Philippine Army formed **guerrilla** units. Recognized guerrilla units fought alongside the United States military from April 20, 1942 until June 30, 1946. After the liberation of the Philippine Islands, individuals who fought in recognized guerrilla units were given membership status in the Commonwealth Army or the United States Armed Forces.

Following the Japanese surrender in 1945, Congress authorized the Secretary of War to enlist Philippine citizens into the United States Armed Forces. The **New Philippine Scouts** participated in the occupation of Japan from October 6, 1945, until June 30, 1947.

In 1946, Congress declared veterans of the Commonwealth Army and New Philippine Scouts and their survivors to be eligible for benefits under VA programs of National Service Life Insurance, disability compensation, and death compensation. Congress limited the rates of disability and death compensation to the equivalent of 50 cents on the U.S. dollar. Congress did not authorize eligibility for VA need-based pension, health care, or readjustment benefits.

In 1958, Congress made former members of the organized guerrilla units eligible for VA benefits on the same basis as Commonwealth Army veterans.

Legislative history indicates that benefits were limited to 50 cents on the dollar in recognition of the different standards of living in the United States and the Philippines. Congress also anticipated that the newly independent Republic of the Philippines would rightfully assume additional responsibilities for its veterans. Within months of gaining independence, the Philippine government began developing a fairly extensive program of veterans' benefits including compensation for service-connected death and disability, education benefits, reemployment rights, preference in public employment, home loans, and hospitalization benefits.

VBA Benefits Currently Provided to World War II Filipino Veterans

Veterans who served in the Regular Philippine Scouts qualify for the full range of VA benefits and services as veterans of the United States Armed Forces. Under legislation enacted over the past six years, veterans of the Commonwealth Army, recognized guerrilla forces, and New Philippine Scouts who lawfully reside in the United States and are United States citizens or aliens lawfully admitted for permanent residency in the United States now qualify for disability compensation at the full U.S. dollar rate. They also have eligibility for VA health care and burial benefits similar to other veterans of the United States Armed Forces. The survivors of veterans who served in the Commonwealth Army, recognized guerrilla forces, or New Philippine Scouts who reside in the United States and are United States citizens or legally admitted resident aliens qualify for dependency and indemnity compensation (DIC) benefits at the full-dollar rate. If the veteran or survivor does not meet the above residency requirements, VA pays disability compensation, DIC, and burial benefits based on the half-dollar rate.

Chronological Summary of Recent Legislative Changes

In October 2000, Congress enacted legislation that expanded VA benefits for veterans of the Commonwealth Army and recognized guerrilla units. Veterans of the Commonwealth Army and recognized guerrilla units now qualify for disability compensation at the full-dollar rate, provided that the veteran is lawfully residing in the United States and is a United States citizen or an alien lawfully admitted for permanent residence in the United States. In addition, the bill extended VA hospital care, medical services, and nursing home care to

veterans of the Commonwealth Army and recognized guerrilla units in cases where the veteran lawfully resides in the United States and is a United States citizen or an alien lawfully admitted for permanent residence in the United States and receiving VA compensation. Congress also authorized the Manila VA Outpatient Clinic to provide medical services to service-connected veterans for their non service-connected disabilities.

In November 2000, Congress passed the Veterans Benefits and Health Care Improvement Act of 2000, expanding eligibility for interment in national cemeteries to veterans of the Commonwealth Army and recognized guerrilla forces if the veteran resided in the United States at the time of death and was a United States citizen or alien lawfully admitted for permanent residence in the United States. Congress also authorized VA to pay the full-dollar amount for burial benefits to veterans who met the above residency requirements and were also receiving VA disability compensation or would have met the disability and income requirements for VA pension.

On December 6, 2003, Congress extended full VA health care eligibility to veterans of the New Philippine Scouts residing in the United States and removed the requirement that veterans of the Commonwealth Army and recognized guerrilla veterans, who are residing in the United States, must be in receipt of compensation in order to qualify for VA treatment of non service-connected disabilities.

On December 16, 2003, Congress enacted the Veterans Benefits Act of 2003, which expanded compensation benefit payments and burial benefit payments to the full-dollar rate for New Philippine Scouts if they are either United States citizens or lawfully admitted permanent resident aliens, and made New Philippine Scouts eligible for other burial benefits including internment in national cemeteries. In addition, Congress expanded DIC benefits to the full-dollar rate for survivors of veterans who served in the New Philippine Scouts, the Philippine Commonwealth Army, or recognized guerrilla forces, provided that the survivor is residing in the United States and is either a United States citizen or a legally admitted alien. Congress also extended the authority to maintain a regional office in the Republic of the Philippines until December 2009.

The result of the above laws is that veterans and survivors of the Philippine Commonwealth Army, recognized guerrilla forces, and the New Philippine Scouts who lawfully reside in the United States are eligible for disability compensation, DIC, burial benefits, and VA health care to the same extent as veterans and survivors of the United States Armed Forces.

Veterans of the Commonwealth Army, recognized guerrilla units, and New Philippine Scouts are not eligible for VA pensions or readjustment benefits such as home loan guaranties, education benefits, vocational rehabilitation, adaptive housing grants, and adaptive vehicle grants. Survivors or dependents of veterans of the Commonwealth Army,

recognized guerrilla units, and New Philippine Scouts are not eligible for death pension or education benefits.

Health Care in the Philippines

Veterans of the United States Armed Forces and Regular Philippine Scouts residing in the Philippines can obtain hospital care and outpatient medical services if such care and services are needed for the treatment of a service-connected disability. Service-connected United States veterans and Regular Philippine Scouts can obtain outpatient medical services at the Manila VA Outpatient Clinic for any condition as long as it is within the services provided by the Clinic.

The United States has provided assistance to the Philippines in a number of different ways in order to facilitate the provision of medical care to World War II Filipino veterans. VA has historically provided grants in the form of monetary support or equipment to the Veterans Memorial Medical Center (VMMC) in Manila. In June 2002, VA announced that \$500,000 would be provided annually to furnish, install, and maintain equipment at the VMMC. In 2006, Secretary Nicholson provided a \$500,000 grant to upgrade equipment for the VMMC. Since 2002, VA has contributed over \$3.5 million to the VMMC. VA provided the funding under its authority to assist the Philippine government in fulfilling its obligation to provide medical care for Filipino veterans who fought with the United States Armed Forces in World War II. VA worked directly with the VMMC to identify the highest equipment priorities. VA directly purchases the equipment and assures that it is properly installed and maintained.

The Manila Regional Office

The Manila Regional Office (RO) is responsible for administering a wide range of benefits and services for veterans, their families, and their survivors residing in the Philippines, including compensation, pension, DIC, education benefits, and vocational rehabilitation and employment services. The Manila RO has jurisdiction over all cases involving veterans of the Commonwealth Army, recognized guerrilla units, and New Philippine Scouts, no matter where they reside.

As of January 2007, the Manila RO provides disability compensation, pension, and DIC to approximately 17,000 veterans and survivors. This includes 6,400 veterans who receive disability compensation, of which 3,500 are World War II Filipino veterans and the remaining are United States Armed Forces veterans from all periods of service. The Manila RO also provides DIC benefits to 6,700 survivors, which includes 5,150 survivors of World War II Filipino veterans. Nearly 15,000 of the 17,000 beneficiaries paid by the Manila RO reside in the Philippines.

Our records indicate that about 690 Filipino veterans and 430 survivors of Filipino veterans currently receive benefits at the full-dollar rate based on their residence in the United States. We are very pleased that Congress has in recent years recognized the inequity of applying the payment restrictions, which were intended to reflect the different economic conditions between the Philippines and the United States, to Filipino

beneficiaries residing in the United States and improved the benefits for those facing living expenses comparable to United States veterans. We believe these improvements were extremely important, as they allowed VA to maintain parity in the provision of veterans' benefits among similarly situated Filipino beneficiaries.

Mr. Chairman, this concludes my testimony. I greatly appreciate being here today and look forward to answering your questions.